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C O N F I D E N T I A L SECTION 01 OF 02 MADRID 002144

STPDTS

E.O. 12958: DECL: 06/07/2014 TAGS: <u>PGOV PREL SP EUN PSOE</u>

SUBJECT: SPANISH EU ELECTIONS - LOOKING FOR AFFIRMATION OR

REDEMPTION

Classified By: Kathleen Fitzpatrick, Political Counselor, for Reasons 1 .4 (b) and (d)

- 11. (C) The Spanish political scene is now focused on the June 13 European Parliamentary elections. Because of EU enlargement, Spain will elect 54 members, down from the 64 seats it received in 1999. With the EU elections coming only three months after the surprising March general elections, the two main parties have been in almost continuous campaign mode this year. The Socialist Party (PSOE) is looking for a win that will reaffirm its March 14 showing and, in their opinion, demonstrate that its victory was not just a reaction to the March 11 terrorist attacks. The Popular Party (PP) is striving to redeem itself, reinvigorate its base and position the party for a return to power.
- 12. (C) Spain's two largest parties hold 51 of its 64 current European Parliamentary seats, the PP having won 27 seats in 1999 and the PSOE capturing 24. The United Left (Communist) won 4 seats, with regional and nationalist parties taking the remaining 9. One seat was held by the Basque nationalist party, Euskal Herritarak, which was later declared illegal for its ties to the terrorist group ETA. Another Basque party, Herritarren Zerrenda, was barred from running in this year's EU election by the Spanish Supreme Court, which ruled that it was the successor to Euskal Herritarak and also linked to ETA and the banned political party, Batasuna.

The Main Candidates

- 13. (U) Leading the list of PSOE candidates is Josep Borrell. Borrell, 57, served as the Minister of Public Works and Transportation in the last Socialist government from 1991 to 1996. He was in the running to be the PSOE's candidate for President of the Government in 1998-99, until he voluntarily withdrew from consideration after two of his associates were implicated in a financial corruption controversy.
- 14. (U) The PP's list is headed by Jaime Mayor Oreja, a 53-year old agricultural engineer with a long history of involvement in Basque region politics and who is well known throughout Spain. Mayor Oreja served as the Interior Minister during much of the Aznar administration. He has been a candidate for president (lehendakari) of the Basque autonomous region on three occasions. Polls show that while Mayor Oreja enjoys greater name recognition than Borrell, Borrell has greater support among Spanish voters.

PSOE Themes - Return to Europe; Anti-Iraq and Bush

- 15. (C) The Socialists have framed their campaign around the idea of returning Spain back to a European focus, rather than what they criticize as the overly pro-American policies of the Aznar administration. Their campaign theme, "We Return to Europe", fits with President Zapatero's repeated statements that Spain had become too aligned with the United States, and that while not anti-American, the Socialists intend to return Spain to the core of Europe and the "Europeanist" movement.
- 16. (C) Borrell and other PSOE leaders tout two main policy changes as proof of the Socialist government's pro-European focus: the return of Spanish troops from Iraq and the new Spanish commitment to support the proposed EU Constitution, including acceptance of the double-majority voting system (though they continue to negotiate the percentages the system will use).
- 17. (C) Though members of the Socialist government frequently state that this new European focus is not anti-American, and that they intend to maintain a strong trans-Atlantic relationship, the PSOE campaign continues to demonize U.S. policies in Iraq and the PP for the Aznar government's support of American objectives. Borrell has stated that terrorism and problems in the Middle East are linked to Bush administration policies and to the U.S.'s "unequivocal support" of Israeli Prime Minister Sharon. Alvaro Cuesta, a PSOE party secretary, accused the PP under Aznar of

"receiving instructions from Washington" to disseminate "Bush administration propaganda", and that the PP is an affiliate of the U.S. Republican Party. Cuesta stated that the PSOE will push for a Europe less dependent on the United States, and Borrell has said that he desires a European Union that is capable of intervening in global problems and can act as a counterweight to U.S. power. Borrell has specifically criticized the PP for aligning itself with the "least Europeanist" EU members and for only viewing the EU as a common market.

18. (C) Zapatero, however, has been able to take a more "statesmanlike" line, allowing Borrell and others to deliver the punches.

PP - Strong in Europe

- $\P9.$ (C) The Popular Party counters with allegations that the Socialists have surrendered Spain's bargaining chips in its headlong rush to prove its Europeanist credentials (especially in what the PP views as a precipitous statement that Spain would approve the EU Constitution) and that the PSOE will not defend Spanish national interests. chose "With You, Strong in Europe" as its election theme, proposing that they are the party who will protect Spanish national interests inside the EU and will forceful combat terrorism.
- $\underline{\ }$ 110. (C) Mayor Oreja has criticized the PSOE for trying to convert the EU elections into a "referendum on Iraq" and t and that Borrell was trying to "make Baghdad the capital of Europe". The PP campaign stresses that they are looking to protect Spanish influence and voting power in the EU and to press for strong common policies to fight terrorism. They dispute the PSOE's claim that they are "euroskeptics", stating that they have enhanced Spain's stature and influence in the EU, and frame the PSOE as making Spain subservient to France and
- 111. (C) The PP also criticizes the PSOE government for bowing to the nationalist parties in Spain, as they claim is evident in the Zapatero government's proposal in May to have Spanish minority languages (Euskera, Catalan and Gallego) included as official languages of the EU. They claim that a PSOE win on June 13 will only strengthen the nationalist movements.
- 12. (C) After the demoralizing surprise defeat in March, Mayor Oreja has said that the PP needs a good showing in the EU elections to "avoid the isolation of the Popular Party", to "bring back hope to 9 million plus voters" and to avoid a long cycle of Socialist rule. He has also noted in several speeches the fact that Borrell had to leave politics in 1999 because of his links to corruption.

The Polls

113. (U) Surveys forecast the Socialists winning by 6 to 9 percentage points, which would give them 25-27 seats, compared to 21-22 for the Popular Party. The leading newspaper, El Pais, found 43% of poll respondents favoring the PSOE versus 37% for the PP. The Center for Sociological Studies (CIS) projects the PSOE winning with a 46% to 37% margin. Of interest in the surveys, 70% of respondents said that the Zapatero government's withdrawal of troops from Iraq would influence their vote, with 86% of those influenced saying they would vote for the PSOE. Only 6% of those influenced said that the troop withdrawal would lead them to vote for the PP. Also, though split when asked who had traditionally defended Spanish interests in the EU (PSOE-32%, PP-31%), when asked who would defend Spanish interests best in the future, respondents chose the PSOE by a margin of 41% to 15%. On overall foreign policy, 72% stated that they thought this government's policy would be better than the Aznar administration's. ARGYROS